

March 13, 2024

The Honorable Martin Glenn
United States Bankruptcy Court
Southern District of New York
One Bowling Green
New York, NY 10004

Re: Celsius Network Chapter 11 Bankruptcy Case, Case No. 22-10964 (MG)

Dear Judge Glenn,

I am writing to bring to your attention a matter concerning the distribution of assets in the Celsius Network Chapter 11 bankruptcy case, in which I am a creditor with an unsettled General Earn account claim of approximately \$394,660. According to the Chapter 11 Plan of Reorganization and Commencement of Distributions, I am entitled to a recovery of 57.9 percent of my claim amount to be paid out in cryptocurrency, which by my calculations equates to approximately 2.80108982 Bitcoin (BTC) and 41.96227385 Ethereum (ETH).

Despite assurances from Stretto, the restructuring agent, that all distribution codes had been sent to eligible Celsius creditors via email by February 15, 2024, I have yet to receive my Bitcoin and Ethereum distribution codes to be claimed on PayPal/Venmo. Multiple inquiries submitted through Stretto's ticketing system have yielded unhelpful canned responses, leaving me and many other claimants in a state of uncertainty and frustration.

Additionally, I am entitled to a recovery of 14.9 percent of my claim amount as common stock in the newly created BTC mining company, Ionic Digital, which should amount to approximately 2,940 shares valued at \$20 each. However, upon reaching out to Odyssey Trust, Celsius Network's distribution agent for Ionic Digital common stock, I was informed that they had no record of my name or email address being an eligible recipient of common stock.

Furthermore, while I have received and successfully redeemed BTC and ETH distribution codes for 19 additional Celsius accounts under my name, I have not received Ionic Digital common stock for these accounts either. Odyssey Trust confirmed that they also do not have a record of those associated email addresses being eligible recipients of common stock. Despite Odyssey Trust's recommendation to submit a ticket to Stretto to confirm my eligibility to receive shares in Ionic Digital, my confidence in Stretto's ability to address my concerns in a timely and personal manner is low, given their track record of being unhelpful, as is evidenced by the hundreds of letters on the docket specifically addressing similar concerns.

To add to the complexity, the amount of BTC and ETH I am to receive was locked in at January 16, 2024 prices. Since then, the price of BTC and ETH has increased substantially by approximately 70 percent and 45 percent, respectively. Stretto has communicated that they may resort to paying claimants in U.S. dollars via check or wire transfer if they are unable to make cryptocurrency distributions via PayPal/Venmo or other distribution partners. However, I fear that Stretto may attempt to use the current market conditions to their advantage and write me a check for the value of my cryptocurrency at January 16, 2024 prices instead of its current fair market value, effectively wiping out an approximate \$145,000 gain in value over that nearly two-month period.

I respectfully request your deliberate intervention in this matter to compel Celsius Network and Stretto to take prompt action to fulfill their obligations under the Chapter 11 Plan of Reorganization and Commencement of Distributions. This situation is not unique to me, and I believe that hundreds, if not thousands, of other claimants are facing similar issues with their distributions. Your assistance in ensuring a fair and timely resolution would be greatly appreciated. Thank you for your attention to this matter.

Listings of my Celsius cryptocurrency holdings (source: Docket No. 974):

3.1.439751	PABLO PALACIOS	ADDRESS REDACTED			BCH 43.1103775028343 BTC 18.5694769765519 CEL 124.964722216697 USDC 2320.8286392229
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Sincerely,

Pablo Palacios

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